

July 14, 2010

Honorable Jose L. Linares  
U.S. District State  
State of New Jersey  
50 Walnut St.  
Newark, New Jersey 07101

Subject ATT Mobility Settlement  
Civil Action 07-05325

Dear Judge Linares

During the fairness hearing on June 29, 2010, I believe one of the class attorneys stated that If AT&T were required to notify the credit reporting agencies and or credit collecting agencies of the settlement of the ETF charges for those who selected a credit defamation option they would be subject to an expense because some of these accounts were sold to credit collection agencies.

This argument is specious at best when you consider the following.

I believe the transcript of the hearing will indicate I estimated if AT&T sold these accounts they would have received .10 cents on a dollar. I was overly generous for according to an article in the New York Times average recovery is .05 cents. This is in line with a division of D&B which reports that bad debt is generally sold from .02 cents to .08 cents on a dollar.

Since AT&T settlement offers \$25 to those who did not pay an ETF of \$175 any claimant who selects a credit defamation option would save AT&T money.

If AT&T sells accounts @ .02 cents on a dollar their cost would be \$3.50 vs. \$25. Save \$21.50  
If AT&T sells accounts @ .05 cents on a dollar their cost would be \$8.75 vs. \$25 Save \$16.25  
If AT&T sells accounts @ .08 cents on a dollar their cost would be \$14.00 vs. \$25 Save \$11.00  
If AT&T sells accounts @ .10 cents on a dollar their cost would be \$17.50 vs. \$25 save \$7.50

The actual number of claimants affected and amount of money involved is readily available to the courts from AT&T as well as Russ Consulting. It should be noted I requested some of this information from the Class Counselors and have been denied this information.

Thanks again for your time and I hope you find this information helpful.

Sincerely,

H.P. Schroer  
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